



2013-2014 HAZARDOUS MATERIALS EMERGENCY PREPAREDNESS (HMEP) GRANT

PLANNING GRANT GUIDE FOR SUB-GRANTEES

October 2013

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Part One - Grant Overview

Guidance Purpose

This guidance is meant to supplement the U.S. Department of Transportation (DOT)/Pipeline and Hazardous Materials Safety Administration (PHMSA) Hazardous Materials Emergency Preparedness (HMEP) Grant Expenditures and Activities Guide, and all applicable laws and regulations, for California HMEP Planning sub-grantees. A new Planning Grant Guide will be released each year with the sub-grant application announcement, and necessary updates within the grant cycle will be distributed to all active sub-recipients. Significant changes from one program year to the next will be captured in the ‘What’s New’ section of the guide.

Grant Administrator Contact Information

For questions about the HMEP Grant Program or this guidance document, please contact:

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HMEP Grant Program Purpose

The Hazardous Materials Transportation Safety and Security Reauthorization Act of 2005 authorizes the U.S. DOT to provide assistance to public sector employees through training and planning grants to States, Territories, and Native American tribes for emergency response. The purpose of this grant program is to:

- increase State, Territorial, Tribal, and local effectiveness in safely and efficiently handling hazardous materials accidents and incidents,
- enhance implementation of the Emergency Planning and Community Right-to-Know Act of 1986 (EPCRA),
- and encourage a comprehensive approach to emergency training and planning by incorporating the unique challenges of responses to transportation situations.

Cal OES is the state pass-through agency for the Federal HMEP Grant funds, and makes a minimum of 75 percent of the Planning Award available to eligible applicants within the LEPC Regions through the sub-grant process.

Eligible Applicants

California’s Local Emergency Planning Committees (LEPC), State and Local governments, and Federally-recognized Tribal governments that have not applied directly to U.S. DOT/PHMSA for funding are eligible to apply for this grant. Local governments are defined as:

"A county, municipality, city, town, township, local public authority...school district, special district, intrastate district, council of governments...any other regional or interstate government entity, or any agency or instrumentality of a local government." 49 CFR 18.3

Definition of an LEPC

"Local Emergency Planning Committee (LEPC) means a committee appointed by the State Emergency Response Commission under section 301(c) of the Emergency Planning and Community Right-to-Know Act of 1986 ...that includes at a minimum, representatives from each of the following groups or organizations: elected State and local officials; law enforcement, firefighting, civil defense, first aid, health, local environmental, hospital, and transportation personnel; broadcast and print media; community groups; and owners and operators of facilities subject to the emergency planning requirements." 49 CFR 110.20

See the [Cal OES LEPC](#) Web page for more information.

LEPC Role

Federal regulations require at least 75% of the planning award to be made available to the LEPCs. Planning sub-grant applications must be approved and prioritized by the appropriate LEPC before being forwarded to Cal OES for consideration. See the [Cal OES LEPC](#) Web page for more information.

Performance Period

The sub-grantee performance period is October 15 through September 15 each year.

Costs incurred outside the performance period are not eligible for reimbursement.

Matching Requirements

Sub-grantees must provide 20 percent of the total cost of all approved activities with non-Federal funds.

Examples of cost sharing contributions (matches) allowed under this grant include:

- Salary, travel, equipment or supply purchase, space usage, the dollar value of a participant's time during an approved Planning activity.
- Private contributions such as corporate contributions of facilities or services. (e.g., tank car, cargo tank trailers, van trailer, training site, hazardous materials (HazMat) equipment, first aid ambulance stand-by, classroom space).
- Voluntary contributions such as emergency personnel support, the time of any LEPC member, or exercise participation.

Sub-grantees can provide their Match Share contribution in a different budget category than the HMEP Share, the same budget category as the HMEP Share, or any combination of categories that provides for 20 percent of the total project cost.

The following costs **CANNOT** be used for match:

- Funds used for matching purposes under any other Federal grant or cooperative agreement.
- Federal funding received through another program.
- Funds expended by a recipient agency to qualify for the grant.
- Costs incurred outside of the grant performance period.

Please refer to [49 CFR 110.60](#), [49 CFR 18.24](#), and the [PHMSA HMEP Expenditures and Activities Guide](#) at for more information on Matching.

Sub-Grantee Responsibilities

- Comply with all governing laws, regulations, guidance, conditions, assurances and certifications.
- Prepare quarterly performance reports for the duration of the performance period, or until all approved work has been completed, and submit them by the due date.
- Maintain financial management systems that support grant activities in accordance with [49 CFR Parts 18.20](#) and [110.70](#).
- Request Cal OES's approval before initiating any grant activities that vary from the approved grant budget or scope of work.
- Identify any funds that are projected to remain unexpended within the performance period as soon possible in the grant cycle, but not later than the end of the 3rd Quarter.
- Submit a Final Quarterly Performance Report and Reimbursement Request Form upon completing all approved activities, but not later than October 7th.
- Maintain property, programmatic and financial records in accordance with the grant record retention requirements.
- Comply with the audit requirements contained in [Office of Management and Budget \(OMB\) Circular A-133](#), and [49 CFR Part 18.26](#).

Applicable Laws, Regulations, and Guidance Documents

Sub-grantees must comply with the following laws, regulations and guidance documents that apply to this grant:

- [42 U.S.C. 11001, the Emergency Planning and Community Right-to-Know Act of 1986, Sections 301 and 303](#)
- [49 U.S.C. 5116, Planning and training grants, monitoring, and review](#)
- [Title 2, Code of Federal Regulations \(CFR\) Part 225 \(OMB Circular A-87\) or 2 CFR 220 \(OMB Circular A-21\)](#), as applicable
- [OMB Circulars A-102 and A-133](#)
- [Title 49, CFR Part 18](#) or [Title 49, CFR Part 19](#), as applicable
- [Title 49, CFR Part 110](#)
- [U.S. DOT/PHMSA – HMEP Grant Expenditures and Activities Guide](#)
- [Cal OES Planning Grant Guide for Sub-Grantees](#)

Sub-Grant Timelines

The HMEP Sub-Grant Period is October 15 to September 15

Approx. April 15	Planning Sub-grant Application Announcement is released
Approx. July 15	Applications are due to the applicant's LEPC. (Check with your LEPC to confirm their deadline)
August 15	LEPC Chairs submit approved, prioritized applications to Cal OES. <i>Applications received after this date may be considered for project funding, if unallocated Planning grant funds are still available.</i>
Approx. September 15	Cal OES completes application review process and notifies applicants of sub-award status and anticipated funding amount.
Approx. October 15	Sub-grantee Performance Period begins upon notification by Cal OES. NOTE: Sub-grant funding is not available until notified by Cal OES of approval to initiate activities. Cal OES must receive the signed Grant Award Face Sheet and General Terms and Conditions, AND it must be counter-signed by the Cal OES Fiscal Officer and Secretary (or designee) prior to providing that approval.
September 15	Sub-grantee Performance Period ends.

Quarterly Performance Report and Reimbursement Request Form	<u>Date Due to Cal OES</u>
Activities and Expenditures for start of sub-grantee performance period through December 31	January 7
Activities and Expenditures for January 1 – March 31 Sub-grantees who have not initiated grant activities by this quarter risk having their award terminated.	April 7
Activities and Expenditures for April 1 – June 30 Funds projected to remain unspent by the end of the performance period MUST be reported by this date.	July 7
Activities and Expenditures for July 1 through September 15 (Final Report) An electronic copy of the project, or other final documentation showing completion of the funded activity, must be provided with the final report - avoid printed plans/documents, if possible.	October 7 (Final Report)

Part Two – What’s New, Goals & Objectives, and Planning Priorities

What’s New

The *Planning Grant Guide for Sub-grantees* was comprehensively updated from the 2012-13 version and **must be reviewed in its entirety**.

- The Sub-grantee performance period has been shortened by two weeks at the beginning and the end, and is now October 15 to September 15.
- Proposals that build on previous accomplishments, or undertake efforts to address gaps noted at the completion of one HMEP-funded grant year are encouraged; however, proposals that describe multi-year projects are not allowed.
- References to project activities that benefit the general public are deleted as PHMSA has defined the intended beneficiaries as the public sector responder community.

October 1, 2013

- References to Cal EMA changed to Cal OES throughout.
- Additional guidance links provided on Page 5.
- A reduced amount of funding available to the LEPCs on Page 8.
- Additional allowable costs guidance links provided on Page 10.
- References to Special Conditions changed to General Terms and Conditions throughout.
- Reference to Appendix A deleted from the Project Narrative section on Page 14.
- Allowable costs guidance links provided on Page 15.
- Defines Salaries & Wages as straight-time salaries and normal fringe benefits on Page 16.
- Additional administrative requirements link for procurement provided on Page 17.
- Revised the Modifications section on Page 19.
- Changed the due date of the Final Report on Page 22.

Goals & Objectives

Department of Commerce statistics recognize California as having the world’s ninth largest economy with approximately 150,000 businesses that are regulated for storing, transporting, or handling hazardous materials, most notably chlorine, anhydrous ammonia, and pesticides, among others. There are also seven nuclear power plant sites in the state, one of which is operational and one that is currently offline while tubing wear issues are investigated. There are eleven international airports and an additional fifty-six domestic commercial airports, as well as extensive inter- and intra-state highway systems, railways and hazardous liquid and gas pipelines throughout the state. California is home to eleven commercial maritime ports that handle more than 40 percent of the total containerized cargo entering the United States and almost 30 percent of the nation’s exports. Approximately 75 percent of the nation’s hazardous materials pass through two of the state’s largest ports, and hazardous materials moving along the rail lines account for nearly 60 percent of total rail HazMat transportation in the western U.S. There are thirty-two military installations and an entire region dedicated to technology-based industries, which pose unique hazards. Six established regional LEPCs in California represent fifty-eight counties and countless jurisdictions with hazardous materials transportation incident planning and response responsibilities.

Goals

In alignment with PHMSA's mission, Cal OES's primary goal is to encourage a comprehensive approach to planning and training for emergency response directly relating to hazardous materials. We aim to increase first responder capabilities in an effort to minimize the impact of incidents involving the transportation of hazardous materials, and ultimately to protect the citizens and environment throughout California.

We propose to accomplish this by partnering with our Local Emergency Planning Committees (LEPCs), Certified Unified Program Agencies (CUPAs), HazMat Response Teams and other stakeholders to maximize the HMEP Grant program benefit to the state's public sector entities with a role in preparing for and responding to hazardous materials incidents, focusing on those involving transportation.

Objectives

Cal OES's objectives for meeting the goals of the 2013-2014 HMEP Planning Grant are to:

- Ensure HazMat emergency response plans are up to date.
- Encourage exercises of emergency response plans in order to increase first responder effectiveness.
- Ensure hazardous materials flow patterns throughout the state are identified.
- Increase LEPC participation in HMEP Planning sub-grant opportunities.
- Encourage broader participation in the LEPCs and their HMEP-funded activities.
- Increase the amount of the federal Planning Award utilized for planning activities.
- Decrease the amount of LEPC-requested training that remains unfunded.
- Maximize, to the fullest extent possible, all available federal HMEP funding for the benefit of California's public sector HazMat emergency planners and responders.

Planning Priorities

Cal OES will ensure that a minimum of 75%, or **at least \$519,099**, of the HMEP Planning grant allocation is made available to the LEPCs for allowable projects via the established sub-grant process. This requires LEPCs to approve and prioritize all applications from their respective region prior to Cal OES consideration. Project proposals will be solicited from all LEPCs in California. The process for selecting projects for funding will be based on the following priorities, which support goals and objectives identified above:

1. **General Preparedness Planning.** This includes developing, improving, and implementing transportation emergency plans under The Emergency Planning and Community Right-to-Know Act of 1986 (EPCRA). Eligible activities include such tasks as attending planning meetings, implementing exercises and drills, securing necessary supplies and equipment, renting meeting space to conduct planning activities, and collaborating on the training needs of public sector employees.
2. **HazMat Flow Identification/Hazard Analyses.** Sound preparedness planning includes identifying the flow pattern of hazardous materials within California and surrounding states. The HazMat flow identification process familiarizes responders with the types and associated risks of hazardous materials within their jurisdictions, as well as with the

type, quantities, and traffic pattern of hazardous materials transported into, out of, and through a given geographic area. Eligible activities include addressing HazMat flow identification through tasks such as Commodity Flow Studies or other related HazMat hazard analyses.

- 3. Regional Response Strategy Selection.** Conducting HazMat response on a regional basis can reduce equipment expenditure and improve response capability and resource utilization. Eligible planning activities include analyses performed for use in determining the feasibility and usefulness of implementing regional HazMat response teams – groups of specially trained and equipped HazMat response personnel strategically positioned within the state to maximize response efficiency. Eligible activities also include analyses of regional response team capabilities or need, as well as efforts that support HazMat teams that have been formally certified as a Typed resource and participate in the statewide HazMat Mutual Aid Agreement.

Part Three – Allowable and Unallowable Activities

Allowable Activities

HMEP planning funds may be used for activities such as:

- Development, improvement, and implementation of emergency plans required under the EPCRA. Enhancement of emergency plans, including hazards analysis, and response procedures for emergencies involving transportation of hazardous materials, including radioactive materials.
- An assessment to determine the flow patterns of hazardous materials within the state, between states or Native American lands, and development and maintenance of a system to keep such information current.
- An assessment of the need for regional hazardous materials emergency response teams.
- An assessment of local response capabilities.
- HazMat emergency response drills and exercises to test capabilities and identify gaps in planning or training.
- Provision of technical staff to support the planning effort.
- Additional activities appropriate to implement the scope of work for the proposed project plan and approved in the grant.
- All activities must be approved by Cal OES before they can be initiated.

Reference [2 CFR 225, Cost Principles for State and Local Governments \(OMB Circular A-87\)](#) or [2 CFR 220, Cost Principles for Educational Institutions \(OMB Circular A-21\)](#), as applicable, for further guidance on allowable costs.

Unallowable Activities

HMEP planning funds may **NOT** be used for the following purposes:

- Costs incurred before or after the Sub-grant performance period
- Equipment purchases*
- Overtime wages or Call Backs/Backfill
- Food items (no exceptions)
- Software – with the exception of CAMEO (no exceptions)
- Weapons of Mass Destruction (WMD) planning or exercise activities
- All-hazards or fixed-facility only planning or exercise activities
- Community Emergency Response Team (CERT), Neighborhood Watch, and other community planning organization activities

See the [U.S. DOT/ PHMSA HMEP Grant Expenditures and Activities Guide](#) for more examples of allowable and unallowable Planning activities.

* Some equipment necessary for completion of allowable project activities may be approved on a case-by-case basis, and may be funded at less than 80 percent of the total cost.

Part Four – Applying for the Grant

Application Packages

The application package must include the following documents:

- Application Form
- Designation Statement
- Project Narrative
- Work Schedule and Deliverables
- Budget Sheet and accompanying Budget Narrative
- Grant Assurances

All fillable PDF forms available on the Cal OES HMEP Grant Web page at:
<http://www.caloes.ca.gov/HazardousMaterials/Pages/HMEP-Grant.aspx>.

Application packages must be received from the LEPCs by the August 15th submission deadline in order to be considered for the initial round of sub-grant awards.

Incomplete applications **will not** be considered.

Applicants are responsible for delivering the application package to their LEPC Region Chair and tracking its progress. The LEPC Chair or Cal OES LEPC Support Staff will forward the application to the Cal OES HMEP Grant Administrator. LEPCs will identify their Region's prioritization of proposed projects.

Draft copies may be submitted to the HMEP Grant Administrator electronically for review, but only hard copy applications with 'wet signatures' that are received by the August 15 deadline will be considered for the initial round of funding.

Once approved, the applicant will be notified in writing of the pending sub-award and expected funding amount.

After the start of the Federal Performance Period, the Grant Award Face Sheet and General Terms and Conditions will be sent to all approved sub-grantees. Sub-grant funding is not available until notified by Cal OES of approval to initiate activities. Cal OES must receive the signed Grant Award Face Sheet, with the General Terms and Conditions, AND it must be counter-signed by the Cal OES Fiscal Officer and Secretary (or designee) prior to providing that approval.

If funding remains available after the initial round of sub-awards are processed, late applications will be considered until November 15th. Regardless of when the sub-grantee performance period begins, all project activities must be completed by September 15th.

Application Form

Applications must have the LEPC Region Chair and Cal OES LEPC Support Staff signatures before being approved for funding. Only hard copy Application Forms with 'wet signatures' will be considered for funding.

It is important not to significantly over or under estimate costs for the project budget as this will be the amount considered for funding. Carefully consider all potential expenses and estimate project costs as diligently as possible. The intent is to award the amount necessary to complete the project without having the sub-grantee pay for costs above the award amount or to de-obligate unspent funds.

Instructions for completing the Application Form

Field Name	Description of Information Required
Applicant	Full name of the public agency applying for the grant.
Date	Date of submittal of application package to the LEPC.
Project Title	A brief title of the proposed project.
Mailing Address	The address for correspondence and reimbursement checks.
Project Start/End Dates	Anticipated start and end date of the proposed project. * Cannot start prior to Oct 15 and must be completed by Sept 15 *
Project Manager, Title, Phone, and e-mail address	The person in the agency who is responsible for the daily implementation of the project.
Estimated Budget	The amount of HMEP funds being requested, match funds that will be contributed by the applicant, and the total of the project budget HMEP Share + Local Match = Total Budget
Authorized Agent Certification	Signature of the person in the organization with the ultimate responsibility for the project and who has the legal authority to speak for the applicant, as identified on the Designation Statement.
Administrative Approvals	Printed name and signature of the LEPC Region Chair, Cal OES LEPC Support Staff, Cal OES HMEP Grant Administrator, and Cal OES HazMat Section Manager.

Designation Statement

The Designation Statement identifies the people who are responsible for key roles in administering the sub-grant award: Project Manager, Financial Officer and Authorized Agent.

The Project Manager is the person who will have overall responsibility of the day-to-day management of the grant project. The Project Manager cannot be the Fiscal Officer.

The Financial Officer is the point of contact for fiscal administration of the grant award and reimbursements.

The Authorized Agent is someone who is legally authorized by their agency and/or governing body to apply for, receive, and implement the HMEP grant award, and may be the Project Manager.

If more than one Authorized Agent will be identified, or if the Authorized Agent changes during the grant period, a separate/new Designation Statement is required.

Instructions for completing the Designation Statement

Field Name	Description of Information Required
Applicant	Full name of the public agency applying for the grant.
Project Title	A brief title of the proposed project.
Project Manager, Title, Phone, and e-mail address	The person in the organization who is responsible for the daily implementation of the project.
Financial Officer, Title and Phone	The person responsible for the fiscal management of the grant. This person must certify all financial status reports, invoices, and requests for payment submitted. The financial officer cannot be the Project Manager and cannot sign Reimbursement Request Forms.
Total Project Budget	The total cost of the proposed grant project.
HMEP Share	The amount of HMEP funds being requested. Cannot exceed 80% of the Total Project Budget
Local Match	The amount of funding the Applicant will provide toward the Total Project Budget direct and indirect costs in cash (hard match), in-kind contributions (soft match), or a combination of in-kind and hard match. (Refer to 49 CFR 110.60 for more information) Must be a minimum of 20% of the Total Project Budget
Authorized Agent Certification	Contact information and signature of the Authorized Agent – the person in the organization with the ultimate responsibility for the project and who has the legal authority to commit funds on behalf of the applicant. Must also sign the Application Form, Grant Assurances, Reimbursement Request Form and Quarterly Performance Report. If more than one Authorized Agent is desired, a Designation Statement and Grant Assurances are required for each. If the Authorized Agent changes, immediate notification to the HMEP Grant Administrator and a new Designation Statement and Grant Assurances are required.

Project Narrative

The grant Project Narrative is a **detailed** description of the major project objectives and how the proposed activities will accomplish these objectives. It must fully describe the proposed work and indicate major milestones. The narrative must indicate clearly that it is meeting one or more of the Authorized Planning Activities as outlined on Page 6 of this document, and should describe the need that is being met by the proposed activities, if applicable. If the proposal is selected for funding, the Project Narrative will become the approved scope of work. The Narrative should be concise and is limited to a maximum of two pages.

If your HMEP Grant application includes an exercise component, the following information needs to be identified in the Project Narrative:

- A brief statement describing the purpose of the exercise, to include what part of the emergency response plan is under evaluation and the transportation method involved.
- Specify the program objectives or benefits from the exercise (e.g. revision of the Emergency Response Plan).

NOTE: An exercise may involve a fixed facility, but **must have a transportation component** in order to be eligible.

Instructions for completing the Project Narrative

Be clear and concise – no more than 2 pages in length.

The project narrative is a **detailed** description of the major project objectives and how the proposed activities will accomplish these objectives. It must fully describe the proposed work and indicate major milestones. The narrative must indicate clearly that it is meeting one or more of the Authorized Planning Activities, and should describe the need that is being met by the proposed activities, if applicable. If the application is approved, the Project Narrative will become the approved scope of work. Address the pertinent areas below to craft a strong proposal:

- A. **Project**. Describe the project.
- B. **Objectives**. Describe measurable and obtainable objectives. Indicate who will benefit from the project (the intended beneficiaries are public sector responder community)? If the benefit extends to other jurisdictions or regions, list those entities/agencies.
 - Specifically detail tasks in a timeline on the Work Schedule and Deliverables form.
 - If partner agencies are participating in the project and are contributing any matching funds, identify them along with your organization's contributions on the Budget Narrative sheet.
- C. **Describe personnel performing grant activities**. Who will do the work? Who is supervising the project? Who is responsible for managing the grant's administrative requirements? How will you make sure timelines and tasks are being met?

- D. **Overall contribution.** How does the project contribute to the State’s goals and objectives and the overall effort of addressing the local hazardous materials planning and preparedness capability? How does the activity address a need or provide a solution to the problem (i.e. long-range plans, etc)? What is the impact of the project?
- E. **Project management.** What plans, strategies, or practices are you using to reach the project objectives? Have all pertinent parties agreed to these plans, strategies, and practices?
- F. **Evaluation.** How will you evaluate project results in the short and long-term? How will you define and measure the project’s success?
- G. **Results.** What are the expectations of the project? Does the project build on a previously completed HMEP Grant funded project? Does the project address gaps identified in an After Action Report?
NOTE: Previous HMEP funding does not guarantee future HMEP funding approval.
- H. **Justification.** Why should the project proposal be approved? Explain if, or how this proposal supports the listed Goals, Objectives, and/or Planning Priorities.

Work Schedule and Deliverables Form

This is a chronological listing of significant activities that will take place during the performance period, along with project tasks and deliverables or major milestones within each activity. The expected progress of each activity is indicated by placing an “X” in the appropriate “monthly progress schedule” box, where “1” represents October and “12” represents September. Minor changes to the activity schedule as actual progress occurs will be identified in the Quarterly Performance Report, and may require a revised Work Schedule and Deliverables Form. Major changes to the activity schedule must be communicated to Cal OES as soon as they are identified.

The process of obtaining sub-award approval and signature can create delays in beginning the grant project. Pre-planning to understand the requirements necessary for receiving the award will be necessary to ensure a timely start of project activities.

Budget Sheet

Enter the breakdown of the total cost of all project activities required to complete the project on the Budget Sheet. All costs must be eligible, reasonable, necessary, and allocable to the approved project in accordance with [2 CFR 225 \(OMB Circular A-87\)](#) or [2 CFR 220 \(OMB Circular A-21\)](#), as applicable.

- Work performed prior to the beginning of the sub-grant performance period, is not eligible for reimbursement.
- Budgets may not include profit as a line item.

- Overtime/Backfill are not allowable expenses
- Software (except CAMEO) is not an allowable expense
- Indirect costs may not be included in the Salaries and Wages figure

Instructions for completing the Budget Sheet

Field Name	Description of Information Required
Applicant	Full name of the public agency applying for the grant.
Project Title	A brief title of the proposed project.
Personnel Services	<p>Included in personnel services are the straight-time salaries and normal fringe benefits for wage-earning personnel employed by the applicant, who will be working on the project. These types of costs for a third party are to be indicated under Professional Services. Sub-grantees are required to keep up to date time charge records (functional timesheets) for the project, and submit them with the Reimbursement Request Form that relates to time worked.</p> <p>Overtime, backfill, and indirect costs are not allowed.</p> <p>The salary and fringe benefits rate, duties and amount of time expected to be spent on grant related activities must be included in the budget narrative.</p>
Salaries and Wages	<p>Includes the straight-time salaries or wages and normal fringe benefits for each employee (whether permanent, seasonal, temporary, etc.) that will be participating in approved grant activities.</p> <p>For HMEP Share, reimbursement cannot replace salaries paid for by other federal funds. If used for Match Share, must be non-Federal funds.</p>
Operating Expenses	<p>These include any costs that are allowable, reasonable and necessary for the completion of the project, except salary or professional services. The sub-recipient will be required to keep an up to date inventory of all operating expenses associated with the proposed project.</p> <p>Each operating expenses line item requires a brief description of the need for the item(s), how the dollar amounts were derived and how the item(s) will be used for the project.</p>
Travel	Includes the cost of transportation, subsistence, and other associated costs incurred by applicant personnel that are directly related to the project. (Note: All non-governmental organized work shall be submitted under Professional Services).
Office Supplies	<p>Supplies are tangible property other than equipment which are allowable, reasonable, and necessary for the completion of the project. Costs are incurred by the applicant for supplies solely dedicated to grant project activities. Categories of supplies to be procured (i.e., publications, manuals, paper, and pens) for use during proposed activities will be identified in the budget narrative, with associated costs per unit.</p> <p>Software is not allowed (except CAMEO)</p>

Facility Rental	Includes all bids and invoices for facility rental expenses, which are necessary for the completion of the project. No food charges are to be included with facility rental bids or charges.
Communication	Includes all telephone, fax, etc. charges necessary for the completion of the project. A breakdown must be provided to justify the relation of these charges to the project.
Printing	Includes all printing and reproduction charges, developed as a result of the project. Direct and indirect costs of printing and reproduction of printed materials shall be included, but must be relevant to the project.
Postage	Includes all types of postage necessary for the completion of the project, including the expedited submission of grant documentation.
Other Direct Expenses	Includes all direct costs not specially mentioned above. These costs must not be duplicated in other budget items.
Professional Services	These expenses include the costs for any contractors or consultants needed by the applicant to undertake the activities specified in the Scope of Work. Must describe how the dollar amounts were derived and how the vendor will be selected in the budget narrative.
Local Match	Sub-grantees are required to provide 20 percent of the total project costs with non-Federal funds. Sub-grant recipients may either use cash (hard-match), in-kind (soft-match) contributions, or a combination of in-kind plus hard-match to meet this requirement. For In-kind match, as the method for determining the value must be included and accounting of effort toward grant activities must be documented. Sub-grantees may use matching from any of the allowable object classes; it is not necessary to meet the 20 percent match in each category. Examples include salary, equipment or supply purchase, space usage, the value of a participant's time during an allowable activity, or the dollar value of a grant related activity or purchase. Sub-grantees must ensure that activities and/or expenditures counted as matching towards the planning grant are used for allowable planning-related activities.
Procurement	The applicant will assume full responsibility for the actual procurement process, liability, and responsibility for completion of the project as described in the Scope of Work. Sub-grantees must comply with the procurement requirements of 49 CFR 18 or 49 CFR 19 , as applicable.
PHMSA Expenditures and Activities Guide	Please reference the PHMSA HMEP Grant Expenditures and Activities Guide for more information on matching, and allowable and unallowable expenses. http://phmsa.dot.gov/hazmat/grants

Budget Narrative

On a separate sheet, include a detailed explanation for each line item on the Budget Sheet.

- Itemize expenses (i.e., travel, equipment, general operating expenses, salaries, and other costs).
- Indicate the personnel who will be working on the project, the estimated amount of time on each major portion of the project, and their salary rate. Indirect costs are not allowed.
- Itemize and describe how the dollar amounts were derived and how the items will be used for the project.
- If services by a consultant/contractor are expected to be performed, contact should be made with them prior to submitting a cost estimate for their services. Describe how the dollar amounts were derived and how the vendor will be selected.

Grant Assurances

The Cal OES HMEP Grant Assurances outline programmatic requirements that apply to the acceptance and implementation of an HMEP grant award, and with which the Authorized Agent certifies they will comply.

Application Package Due Date

LEPC-approved application packages are due to the Cal OES HMEP Grant Administrator by **August 15th** each year. Incomplete applications **will not** be approved.

The LEPC Chair or Cal OES LEPC Support Staff will forward applications to the Cal OES HMEP Grant Administrator. LEPCs will identify their Region's prioritization of proposed projects.

Late applications may be considered after the August 15 filing deadline.

Application Approval

Once approved, the applicant will be notified in writing of the pending sub-award and expected funding amount. After the start of the Federal Performance Period, the Grant Award Face Sheet and General Terms and Conditions will be sent to all approved sub-grantees. Sub-grant funding is not available until notified by Cal OES of approval to initiate activities. Cal OES must receive the signed Grant Award Face Sheet with the General Terms and Conditions, AND it must be counter-signed by the Cal OES Fiscal Officer and Secretary (or designee) prior to providing that approval.

Regardless of when the sub-grantee performance period begins, all project activities must be completed by September 15th.

Part Five –Managing the Grant

Expectations

All approved projects must have progress toward project completion by the end of the second quarter or risk de-obligation of the award.

Sub-grantees will expend the full amount of the award on eligible, approved project costs.

Budget estimates submitted during the sub-grant application process are estimates of expected costs. Frequent reconciliation of actual expenditures must be maintained so that awarded funds that cannot be expended within the performance period can be de-obligated and reallocated to other allowable activities. De-obligations that occur at the end of the performance period do not allow for reallocation and result in funds being returned to U.S. DOT/PHMSA.

Funds projected to remain unspent by the end of the performance period **MUST** be reported as soon as they are identified, but not later than the end of the 3rd Quarter of the Performance Period.

Modification or Amendment Requests

All changes to the approved scope of work or budget must be *approved* by Cal OES. Modifications or amendments must be requested in writing and approved by Cal OES *prior* to initiating the revised scope of work or incurring the associated expenditures. These changes must be made in writing, and within the timeframes outlined in the General Terms and Conditions.

Failure to request prior approval to modify the scope of work or budget could result in a reduction or disallowance of that part of the grant.

Reimbursement Requests

Planning funds are made available to sub-grantees on a reimbursement basis using the Reimbursement Request Form. Reimbursement requests may be submitted monthly or quarterly, and must have supporting documentation that provides details for the Total Expenditures being claimed (Match Share and HMEP Share). Retain the original documents according to the Records Retention schedule. Cal OES reserves the right to request documentation at any time.

An original form with ‘wet signature’ is required. E-mail and fax copies will not be processed for payment.

Grant-funded project expenditures prior to the beginning of the sub-grant performance period are not eligible for reimbursement. Grant expenditures prior to receipt of formal notification that project activities can begin are not eligible for reimbursement.

A Reimbursement Request and supporting documentation is required even if there were only Match Share expenditures for the quarter.

Examples of documents to submit with Reimbursement Requests:

- An invoice on the contracting agency's letterhead or billing form. The invoice must include the name, address, and federal tax identification number of the contracting agency.
- Copies of receipts, including the reason for the expense.
- Copies of event programs, agendas, registrations, etc.
- Copies of notices and letters sent, along with a list of recipients.
- Copies of rosters for funded activities (event agendas, meeting or exercise rosters, etc.).
- Copies of any subcontracts or agreements entered into by the sub-grantee involving HMEP grant funds, (e.g. personal service contracts).
- Copies of functional timesheets or reporting documents to support any personnel costs.

Instructions for completing the Reimbursement Request Form

Field Name	Description of Information Required
Sub-recipient	The Applicant (agency) identified in the grant application.
Cal OES ID #	Leave Blank
HMEP Grant #	Leave Blank
Change of Authorized Agent	Indicate a change in Authorized Agent by checking the box shown and completing the new information in the Authorized Agent area of the form. Must submit new HMEP Grant Assurances and Designation Statement prior to or along with the Reimbursement Request Form.
Billing period	The month, day and year for the beginning and the end of the period covered, which typically mirrors a Federal Fiscal Quarter (FFQ).
Quarter	Mark the number of the FFQ for the indicated billing period. October 15 – December 31 = Quarter 1 January 1 – March 31 = Quarter 2 April 1 – June 30 = Quarter 3 July 1 – September 15 = Quarter 4
Total Expenditures	Enter the total amount of costs for this billing period in the first column, which are fully supported by the accompanying documentation. Enter the year-to-date total of costs in the second column by adding previous quarter (s) Total Expenditures to the amount for this billing period.
HMEP Share	Enter the total amount of Federal HMEP share of your claim for this billing period in the first column, which cannot exceed 80% of the Total Expenditures. This is the amount to be reimbursed.

HMEP Share (Cont.)	Enter the year to date total for HMEP Share in the second column by adding previous quarter (s) HMEP Share to the amount for this billing period.
Local Match	Enter the amount your agency is contributing toward the Total Expenditures for this billing period in the first column, which is typically 20% of the Total Expenditures. Enter the year-to-date total for Local Match in the second column by adding previous quarter (s) Local Match to the amount for this billing period.
Authorized Agent	Complete all line items and ensure that the form is signed by the Authorized Agent. If this is a different person from the previous billing period, see 'Change of Authorized Agent' information above. The date of the signature must be on or after the last day of the billing period.
Mail	Mail the original Reimbursement Request Form, along with all supporting documentation, to the address at the top of the form.

Quarterly Performance Reports

The HMEP grant is based on performance. Quarterly Performance Reports are used by Cal OES to ensure that the projects are kept on schedule and are within the parameters that Cal OES approved. Failure to submit quarterly reports by the due date could result in grant reduction, termination or suspension.

The Quarterly Performance Report is required for each quarter, regardless of whether there were expenditures or not. Sub-grantees who do not have expenditures toward project completion by the end of the 2nd Quarter risk de-obligation of the award. If there were expenditures for the quarter (HMEP Share, Match Share, or both), complete a Reimbursement Request Form and submit both at the same time.

If there are changes to the Work Schedule, detail the circumstances in the Quarterly Performance Report and submit an updated Work Schedule and Deliverables Form.

Sub-Grantees must submit Quarterly Performance Reports to Cal OES until all grant activities are completed or for the duration of the grant performance period. The reports must include the status of all approved activities, and should align with the Work Schedule and Deliverables contained in the Grant Application package. The reports are due as follows:

- Start of sub-grantee Performance Period through December 31 – **Report due January 7.**
 - January 1 through March 31 – **Report due April 7.**
 - April 1 through June 30 – **Report due July 7.**
- NOTE:** Funds projected to remain unspent by the end of the performance period must be reported by this date.
- July 1 through September 15 (**FINAL REPORT**) – **Report due October 7.**

NOTE: An electronic copy of the project, or other final documentation showing completion of the funded activity, must be provided with the final report - avoid printed plans/documents, if possible.

Final Report

The sub-grantee must notify Cal OES, in writing, when all approved grant activities have been completed and paid for. The notice must be submitted within 30 days of project completion, but not later than October 7th and in the form of a Quarterly Performance Report. Documentation showing completion of approved project activities must be submitted with the Final Report in electronic format – do not submit printed plans or other developed product.

All approved project activities must be completed and paid for by September 15 each year.

Hazardous Materials Exercise Requirements

If not included in the Application Package, the following information must be included with the Final Quarterly Performance Report:

- A brief statement describing the purpose of the exercise, to include what part of the emergency response plan is under evaluation and the transportation method involved.
NOTE: An exercise may involve a fixed facility, but must be focused on a transportation component in order to be eligible.
- The objectives or planned benefits of the exercise (e.g. revision of the Emergency Response Plan)
- The names of the members of the exercise design team
- The names of the members of the evaluation team, and identify the lead evaluator
- A list of agencies participating in the exercise
- The number of participants
- Electronic copies of exercise manuals, IAPs, etc.
- An after action report listing accomplishments and lessons learned (Draft is acceptable)

Cal OES Closeout Review and Notification

Cal OES will review the sub-grantee's Final Report for compliance with all grant conditions. Once compliance has been verified, the sub-grantee will receive written notification that their grant has been closed and that the 3-year records retention period has begun.

Cal OES Monitoring

In addition to monitoring sub-grantee progress through e-mail and phone communication, and the Quarterly Performance Reports and Reimbursement Requests, Cal OES may perform more in-depth periodic reviews of grant activities. These reviews may include, but are not limited to:

- Comparing actual grant activities to those that were approved

- Confirming compliance with:
 - Grant Assurances
 - Information provided on the quarterly and/or final reports
 - Procurement procedures and policies
 - Supporting documentation requirements
 - Match requirements
 - Contract provisions

Record Retention Requirements

Record retention requirements can be found in 49 CFR 18.42 and 49 CFR 110.90 (c). Generally, records must be kept for three years after the end of the project year. Sub-grantees will be notified in writing that their grant has been closed by Cal OES and that the records retention period has begun. All documents, regardless of storage medium, must remain available for the entire records retention period, unless notified otherwise.

Accessibility of Records

The U.S. DOT, the Comptroller General of the United States, Cal OES, or any of their authorized representatives, shall have the right of access to any books, documents, papers, or other records which are pertinent to the grant, in order to make audits, examinations, excerpts, and transcripts. The right of access is not limited to the required retention period but shall last as long as the records are retained. (*49 CFR 18.42*)

Suspension or Termination

Cal OES may suspend or terminate sub-grantee funding, in whole or in part, or other measures may be imposed for any of the following reasons:

- Failing to comply with the requirements or statutory objectives of federal or state law.
- Failing to make satisfactory progress toward the goals or objectives set forth in the sub-grantee's approved scope of work.
- Failing to comply with sub-grant terms and conditions, assurances, and other guidance or requirements.
- Proposing or implementing substantial plan changes to the extent that, if originally submitted, the application would not have been approved.
- Failing to submit required reports.
- Filing a false certification in the application or other report or document.

Before taking action, Cal OES will provide the sub-grantee reasonable notice of intent to impose measures and will make efforts to resolve the problem informally.

Part Six - Abbreviations and Acronyms

Cal OES	California Governor's Office of Emergency Services
CAMEO	Computer-Aided Management of Emergency Operations Software suite
CERT	Community Emergency Response Team
CFR	Code of Federal Regulations
CUPA	California Unified Program Agency
DOT	Department of Transportation
EPCRA	Emergency Planning and Community Right-to-Know Act of 1986
FFQ	Federal Fiscal Quarter Qtr 1: October 1 – December 31 Qtr 2: January 1 – March 31 Qtr 3: April 1 – June 30 Qtr 4 : July 1 – September 30
HazMat	Hazardous materials
HMEP	Hazardous Materials Emergency Preparedness
IAP	Incident Action Plan
LEPC	Local Emergency Planning Committee
OMB	United States Office of Management and Budget
PDF	Portable Document Format
PHMSA	Pipeline and Hazardous Materials Safety Administration
U.S.C.	United States Code
U.S. DOT	United States Department of Transportation
WMD	Weapons of Mass Destruction